

INSPECTIONS AND APPEALS DEPARTMENT[481]

Adopted and Filed

Rule making related to raffles and social and charitable gambling

The Inspections and Appeals Department hereby amends Chapter 100, “General Provisions for Social and Charitable Gambling,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code sections 10A.104(10) and 99B.2.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code sections 10A.104(10) and 99B.2.

Purpose and Summary

The amendments to Chapter 100 permit the sale of raffle entries online; require that a purchaser of a raffle entry be provided the location, date, and time of the raffle drawing upon purchase; clarify that raffle entries shall not be purchased by credit card and that the price, including discounts, shall be the same for every purchaser; require that the drawing of a winning entry be done in a manner that allows purchasers to observe the drawing; require that a licensed qualified organization make a reasonable effort to inform a winner of the results of the drawing; and require that an application for a gambling license be submitted by an individual who has the authority to make decisions on behalf of the qualified organization. The amendments also revise a reference to other chapters to align with previous rule makings.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on February 23, 2022, as **ARC 6214C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Department on March 31, 2022.

Fiscal Impact

After analysis and review of this rule making, no fiscal impact to the State of Iowa is anticipated.

Jobs Impact

After analysis and review of this rule making, no impact on jobs is anticipated.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 481—Chapter 6.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s

meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on May 25, 2022.

The following rule-making actions are adopted:

ITEM 1. Amend rule 481—100.1(99B), introductory paragraph, as follows:

481—100.1(99B) Definitions. In addition to the definitions found in Iowa Code chapter 99B, and unless specifically defined in 481—Chapters 101 to ~~407~~ 106, the following definitions apply to all social and charitable gambling rules.

ITEM 2. Adopt the following **new** subrule 100.3(7):

100.3(7) Responsible party. The responsible party identified on the application shall sign the application or submit the online application. The responsible party shall be a person who is authorized to make decisions on behalf of the qualified organization.

ITEM 3. Amend subrules 100.16(2) to 100.16(4) as follows:

100.16(2) Raffle entries—sales. Any price may be charged for a raffle entry, and the price, including any discounts, shall be the same for every purchaser. Raffle entries shall not be ~~sold online~~ purchased by credit card. Raffle entries shall not be sold outside the state of Iowa. Organizations shall comply with United States Postal Service regulations restricting the sale of raffle entries through the mail. The purchaser of a raffle entry shall be provided the location, date, and time of the corresponding raffle drawing at the time of purchase.

100.16(3) Raffle entries—discount. A licensee may offer raffle entries for sale at a discounted rate if the discount is applied in a nondiscriminatory manner.

a. Examples. Selling one entry for \$5 or five entries for \$20 is acceptable as long as the discount is available to all purchasers. The amount paid for entries ~~may~~ shall not be determined by a any variable characteristic of the person purchasing entries, such as height, weight or wingspan.

b. Promotion and availability of discount. The discount must be available to all persons throughout the duration of the raffle and must be posted on all promotional material.

100.16(4) Winners. Raffle winners cannot be required to be present to win. The drawing of the winning entry shall be done in a manner that allows the purchasers to observe the drawing.

a. The date by which the prize shall be claimed shall be no fewer than 14 days following the drawing. The licensed qualified organization shall make a reasonable effort to inform the winner of the drawing results during that time frame.

b. If the prize is not claimed, the licensed qualified organization may do one of the following:

(1) Continue to draw until a winner claims the prize. Each drawing must allow the time period specified in paragraph 100.16(4)“a” for claiming the prize.

(2) Donate the unclaimed prize to another qualified organization to be used for an educational, civic, public, charitable, patriotic, or religious use.

[Filed 3/31/22, effective 5/25/22]

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EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 4/20/22.